

0008



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

Outgoing  
C0070020  
#3110  
K

April 27, 2009

Kit Pappas, Resident Agent  
Hidden Splendor Resources, Inc.  
3266 South 125 West  
Price, Utah 84501

Subject: Updated Officers and Directors, C/007/0020, Horizon Mine, Task ID # 3110

Dear Mr. Pappas:

During the mid-term review of Horizon Mine, deficiencies were identified in the AVS Check and MRP to the Officers and Directors. An Updated Officers and Directors Amendment was requested. A review of Horizon's response, dated January 21, 2009, identifies additional deficiencies that need to be addressed. We are returning the amendment to you for your further attention. Please address the deficiencies and resubmit the amendment including new C1 and C2 forms by no later than May 15, 2009.

If you have any questions regarding this letter, please contact Priscilla Burton at 801-613-38733 or me at (801) 538-5262.

Sincerely,

James D. Smith  
Permit Supervisor

JDS/DD/sqs

cc: Price Field Office

O:\007020.HZN\FINAL\WG3110\TASK3110\DEFICENCYLETTER042709.DOC



# TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

---

April 14, 2009

TO: Internal File

THRU: Dave Darby, Team Lead

FROM: Priscilla Burton, CPSSc, Environmental Scientist, III.

RE: Updated Officers and Directors, Horizon Mine, C/007/0020, Hidden Splendor Resources, Inc., Task ID #3110.

**SUMMARY:**

Hidden Splendor Resources, Inc provided an update to pages 2-2 and 2-3 of the MRP with limited ownership and control information on January 21, 2009, as a result of the mid-term review (Task 3076) and repeated email requests from the Division. Much information remains to be reported. Deficiencies are restated from the mid-term review below.

TECHNICAL MEMO

---

TECHNICAL ANALYSIS:

## GENERAL CONTENTS

### IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

**Analysis:**

Hidden Splendor Resources, Inc., a Nevada corporation, is the Applicant and Operator of the Horizon Mine (Sec. 112.200 and Section 112.400). Employer I.D. was provided. The President, Secretary, Director and Resident Agent of Hidden Splendor Resources, Inc is Alexander Walker, III. The contact address and phone number for Hidden Splendor's Salt Lake City office is provided.

Section 112.200 states that the abandoned mine fee will be paid by the Price office of Hidden Splendor Resources, Inc, but the requirement of R645-301-112.230 is to **name the person** who will pay the abandoned mine fee.

The Officers and Directors of America West Resources, Inc. (AWRI) are stated in Section 112.300. AWRI is the sole owner of Hidden Splendor Resources, Inc. (Section 112.400). The federal Identification Number of AWRI was not provided. The telephone number of AWRI was not provided.

The application does not provide authorization for Kit Pappas to sign documents on behalf of the Permittee. Dan Baker, who is an authorized officer of America West Resources Inc., signed the C1C2 form.

A statement must be included declaring that AWRI. Holds the Columbia exploration well permit, X/007/0044 was not provided as required by R645-301-112.340 through -112.420.

**Findings:**

The Permittee must provide the following in accordance with:

**R645-301-112.200**, Section 112.200 states that the abandoned mine fee will be paid by the Price office of Hidden Splendor Resources, Inc, but the requirement of R645-301-112.230 is to name the person who will pay the abandoned mine fee. Restated from Task 3076, the Permittee must provide a name, address, and telephone for the person who will pay the abandoned mined land fee.

**TECHNICAL MEMO**

---

**R645-301-112.300**, Restated from Task 3076. The Permittee must provide notarized, Secretary signature for the begin dates of Alexander Walker, III in position of President, Secretary and Director and for the End dates for Hidden Splendor officers (Alexander Walker, III as V.P.; Amanda Cardinalli as Treasurer and Director; and Cecil Walker as President and Director).•The Permittee must provide the begin date (along with notarized Secretary signature) and phone number and last four digits of the federal identification number for the following principals of America West Resources, Inc.: John Durbin, CFO; George Jarkesy, Director; Brian Rodriguez, Director.

**R645-301-112.400**, Restated from Task 3076. The Federal Identification Number of AWRI was not provided. The telephone number of AWRI was not provided. Provide the federal identification number and telephone number for America West Resources Inc.

**R645-301-112.340**, Restated from Task 3076. A statement must be included declaring that AWRI. Holds the Columbia exploration well permit, X/007/0044 was not provided as required by R645-301-112.340 through –112.420. Affiliated state permits must be identified along with the name of the permit holder and the relationship to the Horizon Mine. i.e. Bronco Well held by America West Resources, Inc. and other permits held by affiliated companies under America West Resources control.

**R645-301-113**, Restated from Task 3076. Provide violation information for Hidden Splendor and affiliated companies under America West Resources, Inc. control.

**RECOMMENDATIONS:**

The Applicant should be required to provide this information in a timely manner. The application should not be approved until it is complete.